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BIWEEKLY REPORT

SINO-SOVIET BLOC ECONOMIC ACTIVITIES IN UNDERDEVELOPED AREAS

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PREPARED BY THE WORKING GROUP
ON SINO-SOVIET BLOC ECONOMIC ACTIVITIES
IN UNDERDEVELOPED AREAS

ECONOMIC INTELLIGENCE COMMITTEE

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S-E-C-R-E-T

C O N T E N T S

	<u>Page</u>
I. Summary of Events, 15-27 February 1956	1
II. Background Notes on Items of Special Interest	2
A. Offer of Soviet Aid to Lebanon	2
B. Ceylon Rice-Rubber Agreement with Communist China	3
C. Sino-Soviet Overtures to Pakistan	5
D. Chinese Communist Trade Agreement with India . .	6
E. Sino-Soviet Bloc Trade Agreements with Portugal .	7
F. Progress of Soviet Credit to Afghanistan	8
G. 	10
III. Other Significant Developments	11
A. Technical Aid	11
B. Industrial Installations	11
C. Trade Missions	12
D. Trade Agreements	13
E. Credits Extended	13
F. Transportation Agreements	14

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SINO-SOVIET BLOC ECONOMIC ACTIVITIES
IN UNDERDEVELOPED AREAS*

I. Summary of Events, 15-27 February 1956.

During the second half of February 1956, the most significant Sino-Soviet Bloc efforts to expand economic relations with underdeveloped areas of the Free World were the offer of Soviet technical assistance to pro-Western Lebanon, the proposal that Pakistan and the USSR exchange trade missions, and the negotiation of a trade agreement between India and Communist China.

Countries of the Sino-Soviet Bloc concluded a total of 9 trade agreements with Portugal and Yugoslavia which provided for a substantial expansion of trade between those two countries and the Bloc.

In the Middle East and in South Asia, the Bloc was reported to have agreed to build and install several complete industrial plants -- Hungary to construct a power station in Egypt, and the USSR to provide irrigation and telephone facilities in Kabul, Afghanistan, taking over a contract which previously had been awarded to West Germany.

In the Far East, Communist China for the first time contracted for the installation of a complete industrial plant in a non-Bloc country -- a textile mill in Burma. A notable feature of the proposed trade agreement between India and Communist China was the offer by Communist China to supply steel, cement, and soda ash.

In South America, trade delegations from Poland, Hungary, and East Germany are negotiating in Santiago for expanded Bloc trade with Chile.

* Although the main emphasis of the Biweekly is on economic activities of the Sino-Soviet Bloc in underdeveloped areas of the Free World, significant Bloc activities of this nature in areas not considered underdeveloped also will be discussed.

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Next 13 Page(s) In Document Exempt

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